



Submitted in partial fulfilment of the requirement of the degree of  
**Master of Business Administration (MBA)**

**Project Report**

Reduction of Cost of production



Submitted by

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The academic year 2021-2022



**UNITED BREWERIES LTD**

Date: 12-07-2022

**To Whomsoever It May Concern**

This is to certify that Mr. Utkarsh Prabhu Student of First year in MBA from Goa Business School, Bhambolim has successfully completed his summer internship at United Breweries Limited - Goa in the Procurement Department. The duration of the internship was from 18<sup>th</sup> May to 8<sup>th</sup> July 2022.

During his internship he was found punctual and hardworking.

We wish him all the success for his future.

For, United Breweries Limited

  
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Manager- Human Resources



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## DECLARATION

I Utkarsh prabhu, student of MBA final year at Goa Business School (Roll NO-2152), hereby declare that the project entitled “PROJECT REPORT” at United Breweries has been prepared by me to the best of my knowledge towards the partial fulfillment of the requirement for the award of Master of Business Administration Degree (MBA) during the period from 18<sup>th</sup> May to 8<sup>th</sup> July 2022, Under the guidance of Dr.Dayanand of Goa Business School (MBA). I further declare that the work reported in this project has not been submitted before and will not be submitted henceforth by anyone else, either in part or in full.

Student signature

Signature of guide

Utkarsh U Prabhu

Dr. Dayanand

Place: Codar Ponda Goa

Date:

## **ACKNOWLEDGEMENT**

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# INTERNSHIP PROJECT REPORT

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## **Executive summary**

In this project, we will look at the beverage industry as well as an overview of the United breweries company and its strategic management Furthermore, we will look at UB's departmental analysis, and the process of profit maximization by Retaining and creating a loyal customer base and by reducing the cost of production.

The purpose of the research was to study factors impacting the bottle vendors performance and to find probable solutions for their problems and also application of knowledge gained in the first year MBA course

## Chapter 1

### **Profile of the company and introduction**

#### **Profile of the company**

United Breweries Group is a huge global conglomerate with sales in excess of \$1 billion and UB Group also expanded rapidly and made multiple appearances. This helped UB Group enter the wine and spirits business. The company markets most of its beer under the Kingfisher brand and has also launched Kingfisher Airlines, a domestic airline service in India. Kingfisher Strong has become the number one strong beer brand in India, selling over 17 million cases.

The company has expanded its activities in the field of aviation but has not been able to broaden its horizons in the field of business. The beverage business is still undisputed today. With increasing sales volume, the company has high growth prospects. The Company sells beer under various brand names, including the Kingfisher brand, and owns several other brands of alcoholic beverages. Its main businesses include beverages, aviation, and investments in various sectors. Kingfisher Airlines, an airline in India that ceased operations after problems in 2014 that allowed the DGCA to revoke its license, was formed by United Breweries Limited. IT is the largest beer producer in India with a market share of around 52.5% by volume.

The brewing company of the UB Group, called United Breweries Limited, has become the undisputed market leader with a national market share of over 50%. In a process of aggressive acquisition and market penetration, UB Group now controls around 60% of the total brewing capacity in India. Kingfisher is now sold in 52 countries around the world and has received many awards for its quality. The group has dominated the market in three main consumer segments: - alcoholic beverages, spirits, and aviation, which are the main lines of business, and also has interests in engineering, fertilizer, and biotechnology.

#### **Introduction**

UB-GOA, a unit of United Breweries Ltd. based in Bethora, Ponda, Goa is a holding company of the UB Group which began commercial production on October 17, 1972, with a capacity of 27,000 dozen per month. From 1989, the expansion took place at regular intervals through the introduction of new automatic filling systems. Today, the bottling plant can produce 55,00,000 cases per year and has a highly motivated workforce of 150 employees and 39 staff.

V.M Salgaonkar Group of Companies” and F.R. The Cruz Group of Companies joined forces with United Breweries Ltd on November 7, 1964, to form a new company called



Keserval Beverages Ltd, dedicated to the manufacture of quality beverages. In August 1965, Keserval Beverages Ltd began manufacturing activities introducing 'Light House Whiskey' to the local market. Rum and gin were later added by the company to the "Lighthouse" range as brandy. In 1970, KBL decided to bring in line with the ambitious development plans of then-UBL President Shri. Mallya vital. The two companies of the UB Group, UBL, and USL, were inaugurated in 1972.

### **Mission**

- We are forming a large global group based in India. We partner with world-leading companies to employ technologies and processes that enable us to take leadership in a wide range of activities.
- We apprehend that our company is constructed around folks who are our treasured assets.
- We will always boom the long-time period price of our organization for the gain of our shareholders.
- We will operate as a decentralized organization and allow each business to develop with our state value
- We might be a chief contributor to our countrywide economic system and take complete gain of our sturdy useful resource base.
- We dedicate over selves to the continued task of reaching clinical excellence.

### **Vision**

- The vision of UB is "to become the no.1 brewery in the world".

### **Generic Strategy**

- It focused on strategy by introducing region-specific products.
- It differentiates strategy by marketing the product by associating its brands with major events.

### **Quality Policy**

- Quality leadership is essential for the UB Group's long-term success in an increasingly competitive market.
- Incorporating quality into our workplaces, products, and services is essential to the prosperous future of our customers, employees, supplier communities, and shareholders.
- The UB Group will always strive to provide products and services that meet or exceed expectations.
- Management provides resources and creates an environment where each employee can deliver skills, talents, and ideas through a never-ending process of improvement and innovation in every aspect of the business.

## **Achievements**

- The best-selling beer in India.
- Has a 52% market share
- Almost 7 kingfishers are sold every second in India
- The first Indian brand to launch its own designer brand
- UB won the gold medal at the 1997 World Beer Championship in Chicago.
- Received the World Beer Award in 2013
- Available in 52 countries around the world
- Winner of the World's Best Pale Lager Award at the 1994 Stockholm Beer Festival

## **Competitors**

### **SABMiller India**

SAB Miller India, a wholly-owned subsidiary of SAB Miller plc. One of the world's leading breweries operating on six continents with a tradition of over 100 years. SAB Millers' stay in India began in 2009 and in just a few years has affected nearly one-third of the Indian beer market. Based on consumer insights. SABMiller India is taking innovative steps to bridge the price, packaging, opportunity, and product gaps. Global know-how has been used to generate many innovations in India, including one-way bottles, establishing draught standards, and flash pasteurization. Ten world-class breweries have located across India. SABMiller is well-positioned to easily access and effectively service the beer markets.

### **Asia Pacific Breweries Limited**

It is a Singapore-listed company supported by 26 breweries in Asia such as Singapore, Malaysia, China, Papua, New Guinea, Sri Lanka, Vietnam, Thailand, and India. APB manages a portfolio of over 40 beer brand variations, with Tiger Beer and Heineken as the main brands.

### **Carlsberg**

Carlsberg joins a South Asian brewery and moves towards brewing in India. This became possible after the company acquired an existing brewery in Haryana Pradesh, north of New Delhi, the capital of India. The production of a brewery with a capital of 150,000 and the possibility of a significant expansion of production capacity.

## Product Profile

- the only company in the business with a comprehensive brand portfolio
- mix of strong national brands and regional brands
- brands that provide to different need states of the customer
- brand at all sufficiently price points

### 1. Kingfisher Premium

If we think of beer in India and the first name you will think of is the kingfisher. India's favourite beer is one of the oldest, most widely recognized and respected brands in India. Established, this premium brew has enjoyed number one status amongst Indian beers and has also been able to develop gradually into one of the most contemporary and inspirational youth icons of today.



### 2. Kingfisher Strong

It is launched in the year 1990 to increasing demand for strong beer across the country, Kingfisher Strong's has millions of fans who have made it the single largest beer in India. Consumers have started to understand that if some 'extra Dum' get added to the smooth, crispy taste of Kingfisher, the result is an unbeatable, Kingfisher Strong. Kingfisher Strong has a national footprint and it is among the top 3 strong beer brands in almost every state in the country. It has a wide amount of pack sizes, being present in 650ml bottles, 330ml cans, 330ml pints, 50ml cans, and draught beer.



### 3. **Kingfisher Ultra**

Be it uniquely premium touch and feel of the bottle or the activities or the brew itself, kingfisher ultra is considered by many to be touch above the rest when it comes to Indian beers. It was launched first in Bombay, Bangalore, Delhi and Calcutta. Kingfisher is now widely available all over the world



### 4. **Kingfisher Blue**

Kingfisher blue is one of the most unique offerings from the house of the kingfisher it is interesting to those who are young at heart and seek thrill for whatever they do in life. It is one of the most unique offerings from the house of kingfisher. It appeals to those who are young at heart and seek thrill for whatever they do in life.



### 5. **Kingfisher Drought**

The crispy taste of freshest beer around is enjoyed by millions of people. Drought beer is known across the country. It has defined the concept of fresh beer in India.



## 6. **Kingfisher Strong Fresh**

The first ever strong beer is kingfisher strong fresh it has been available in Indian market. It gives people crispy taste of freshly brewed beer conveniently packed in a 500ml can.



## 7. **Kingfisher Bohemia**

Kingfisher bohemia is from the heart of South Africa which has touched the heart of millions of peoples. Kingfisher bohemia wine is extremely changeable, and it easily matched with most foods the masterfully blended white wine comes in refreshing pineapple and ripe melon flavours.



## 8. **London Pilsner**

It is the largest beer which came into UB limited in the year 2001-2002 after UB took a majority of stake in ABDL. Its currently available in 650ml, 350ml, 250ml, 250bottels and 330ml cans. It is positioned on the international beer platform while retaining the local flavour.



## 9. Zingaro

It is the ideal thirst quencher of the lion-hearted rugged male. Zingaro is the super strong premium beer which is available in 330ml and 650ml packs.



## 10. UB Export

UB export is a larger beer. It is a brand that has a strong regional presence in it. It changes radically the beer industry by introducing the pint bottle with the empty bottle deposit model. The position of UB export is economically larger beer which is meant for those who are seeking value for money.



## 11. Kalyani Black Label

Kalyani black label premium larger beer which was introduced by kalyani breweries which is launch in the year 1960-70 in Calcutta. Hence the name was pilsner till 1993 and has been popular for its distinct blend of bitterness and strength. It is positioned as the beer which interesting for the youth with the sense of adventure. Target consumer is the one who's having good judgment in the age group of 25-35.



## 12. Jaguar

Jaguar, winey beer is the first specially beer which is launched by UB. It is the result of extensive research over last few years.



## 13. Taj Mahal

This is the highly recommended beer by the beverage testing institution. it also won the silver medal at the world beer championships; this premium pilsner is proud to be brewed in India. The beer pours with a brief frothy head and has hits of fruitiness with grainy, pale malt aromas. It follows through well on a medium moderately dry palate with light hop bitters and a dry finish.

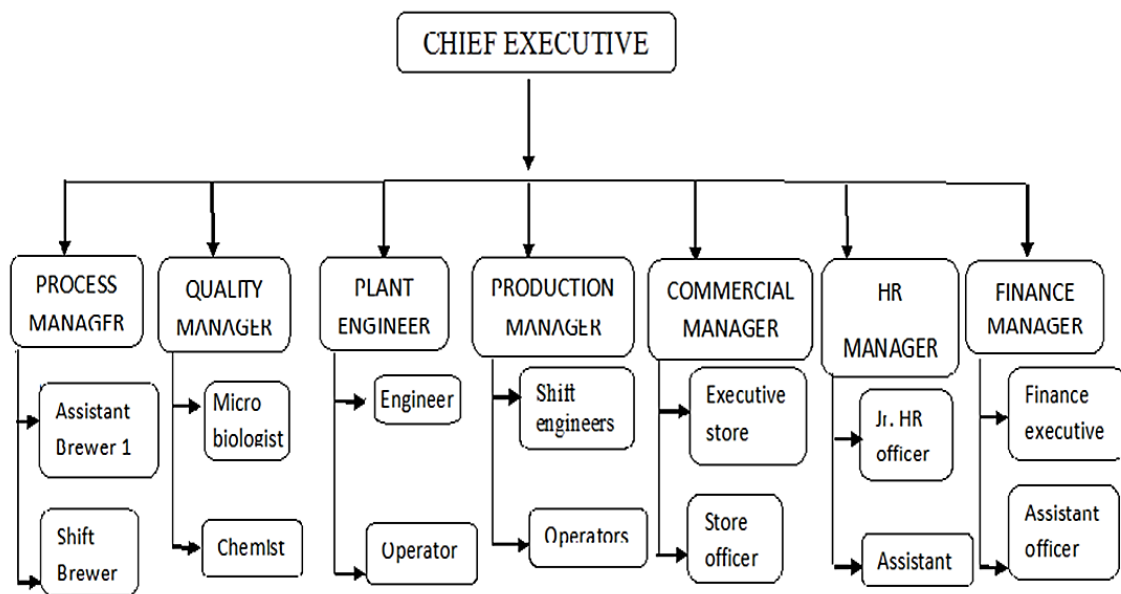


## 14. Sand Piper

Sand piper is a refreshing mild beer for free spirited male. The essence of the sand piper brand is for naughty and flirtatious fun.



## Organisation structure



## HR Policies and Practices

United breweries limited firmly believe in sustainable development, which is interpreted as growing their business in a socially and environmentally responsible way, while meeting the legitimate interests of our stakeholders. They also believe in taking an active role and responsibility in empowering local communities to achieve their ambitions. The company and its employees are committed to the community it works with and the environment it extracts its resources from.

The needs of the community and environment keeps on changes over the period of time and therefore the company's CSR and sustainability policy is dynamic to be able to include the aspects which would help the company to the long-term sustainable development.

United breweries limited are investing in holistic welfare measures for their co-communities that include water sanitation and hygiene along with education and primary health. All the company's initiatives are implemented after a through needs assessment of the community.



## **Customer Relations**

UBL is committed to producing and marketing goods of the best quality and high standards so as to ensure total consumer and consumer satisfaction. In order to consistently live up to the expectation of consumers, we expect all our suppliers and contract brewers to consistently deliver quality products. Quality delivery applies to the entire business associate.

All concerned must adhere to the following which forms part of the quality statement of the company.

## **Prevention Of Sexual Harassment at Work**

The company is committed to providing a safe and congenial work environment to its employees. Sexual harassment constitutes an infringement of fundamental rights to work in a safe and healthy environment and as a constructive step in this direction, UBL has adopted a policy in compliance with “The Sexual Harassment of Woman at Work Place Act, 2013.

If one has been a victim of sexual harassment, please report your concern in the manner prescribed in the policy.

## **Information Management Policies and Practices**

Record management services are the professional practice or discipline of controlling and governing what are considered to be the most important records of an organization throughout the records life-cycle, it includes from the time such records are conceived through their eventual disposal. This work includes identifying, classifying, prioritizing, storing, securing, archiving, preserving, retrieving, tracking, and destroying records.

The purpose of records management is part of an organization’s broader activities that are associated with the discipline or field known as governance, risk, and compliance and is primarily concerned with the evidence of an organization’s activities as well as the reduction or mitigation of risk that may be associated with such evidence.

Corporate Memory is information of value for re-use. In determining whether to retain records and for how long, the value of the record for re-use should be an important criterion. Many records are simply kept as evidence of a transaction. Others are kept to document what happen and, perhaps, why it happened. Kenneth Megile has returned to corporate memory and records management.

A record is something that represents proof of existence and that can be used to recreate or prove the state of existence, regardless of medium or characteristics. A record either created or received by an organization in pursuance of or in compliance with legal obligations, or in the transaction of business. Records can be either tangible objects, such as paper documents like birth certificates, “driver’s licenses, and physical medical x-rays, or digital information, such as electronic office documents, data in application data basis, website content, and electronic mail.

## **Manufacturing/ Operational Policies and Practices**

### **Job Card**

It includes all the specifications and structure of the product. A job card is made by the production engineer and given to the manager for the check. The checks and sees whether there are any mistakes in it. After checking one copy is given to the worker and the other is kept by the production engineer.

### **Requisition**

It is list of raw materials which is required while producing the product. It is given with job card. The worker then takes the requisition card and gives it in the store department. There they issue the raw materials mentioned on the requisition for producing the product.

### **Evolution of Strategies**

The nomination and remuneration committee of the board of directors has formulated a performance evaluation policy inter alia prescribing and evaluation criteria for the independent directors and board of directors of the company. The policies also lays down criteria for appointment of directors and the remuneration of directors/key managerial personnel. In line with corporate governance requirement, evaluation of all board members is done by the independent directors. The evaluation focuses on the performance and effective functioning of the board, committee of the board, participation. The evaluation process also considered the time spent by each of the board members, competencies and accomplishment of specific responsibilities and expertise.

## Chapter 2

### **COMPANY ANALYSIS**

#### **SWOT Analysis**

The SWOT analysis helps in understanding the strength, weaknesses, opportunities and threats of the company so that the one can overcome from those weaknesses. Strengths and weaknesses are internal to the organization. Whereas opportunities and threats are external to the organization and they are not under the control of origination.

##### Strengths

- Huge market share.
- Strong brand image.
- Competitive product pricing.
- Wide distribution network.
- Enjoys a good public image.
- World-class infrastructure for the manufacturing facility.
- Strong brand name
- Variety in products

##### Weaknesses

- Huge dependence on electricity
- Long process of manufacturing beer
- Lack of quality water
- Lack of specialization in terms of labours

##### Opportunities

- Scope in new areas of production
- Huge market share for the product
- Entering into new industry.
- Changing lifestyles of middle-class

### Threats

- Prohibition on advertising
- On entry barriers
- Increase in raw material prices
- Negative perceptions about alcoholic beverages widely prevalent
- Regional disparities i.e., product available at low cost in Goa compared to other states

### VRIN Analysis

VRIN framework was developed by Birger Wernerfelt in the 1980s, it is a technique for the evaluation of a company's competitive analysis along with company resources. It's the acronym for Value, Rareness, Inimitability followed by the non-Substitutable

### Valuable

The VRIO analysis of United Breweries tells that the product quality that is provided by the company at reasonable prices will create a revenue stream.

- Brand Awareness/value, over a period of time it has established a good Brand Value hence it's The largest beer-selling company in India which Commands a 52% market share in the country, and nearly about 7 bottles of Kingfisher are sold every second in India also the first among Indian brands to launch its own range of designer wear
- UBL is the only company that exists nationwide, and most of its new breweries are being built in poorly serviced states. Profitable because it is uneconomical to export beer from one state to another due to the high import tariffs of the state due to the multiple breweries in many states and their nationwide presence. A high beer supply is possible.
- Unlike spirits, beer is a perishable product and needs to be refrigerated. UBL's investment in an integrated cold chain infrastructure is ahead of the competition. GPS-enabled trucks can also ensure that their own bottles are reclaimed. Coupled with the fact that UBL owns or contracts breweries in all major states, this means that the beer is fresher than its competitors and delivered on time
- We have obtained an additional embossing patent on the bottle itself so that each UB beer bottle can be distinguished and returned to the company. The company has also succeeded in thinning the glass while maintaining both content quality and security. The launch of new bottles is expected to drop from more than 25% before to about 15% now. As a result, the company has been able to significantly save on reduced bottling costs over the last five years.
- Beer is composed of four components: water, barley malt, hops, and yeast. Therefore, water is an important element of beer production. Summer is the peak demand season for beer, and water scarcity during this period can adversely affect supply and market share. All companies pay to use the water as is for commercial purposes. Water use is an important area of improvement for UBL, offering cost and sustainability

advantages over competitors. The current water consumption is 4.52 liters per liter of beer and the freshwater consumption is 3.52 liters (significantly reduced from 7.42 liters in 2007). At this level, UBBL is at the highest level in Asia and the world when it comes to using fresh water in recycled beer bottles. Some of its breweries are 2.4 liters, much better than the world average of 4 liters. In addition, 11 of the 21 breweries already use rainwater, so the proportion of treated water is also increasing. The ratio of make-up water to fresh water is projected to rise from 12% in 2015 to 17% in 2016 and to 38% by the end of 2017, with UB becoming a water-friendly organization by 2025. I am aiming.

#### Rarity

- UBL brand awareness, preference of customers over other brands, and a wide range of products.
- It is one of the industry's leading brands that has successfully built a brand image
- Deliver Fresh products through the integrated cold storage in the supply chain
- Affordable price with superior quality
- Nationwide availability and excellent distribution channels

#### Imitable

- UBL's brand awareness cannot be imitated as UBL is one of the industry's leading brands that has successfully built a brand image, and gained a sustainable competitive advantage.
- Patent on the bottle itself so that each UB beer bottle can be distinguished and returned to the company. The company has also succeeded in thinning the glass while maintaining both content quality and security which is not imitable

#### Organization

- United Breweries Ltd reviewed its lean, efficient and future-proof organizational structure in the face of rapidly evolving market conditions to sustain its valuable resources and rarity
- Constant training of the employees to ensure performance
- Audits are conducted so the standards and met

## Chapter 3

### Industry analysis

## **Overview**

Alcoholic beverages include beer, distilled liquor, and wine, non-alcoholic beverages include non-carbonated beverages (juice, energy, sports drinks, water, coffee, tea), and carbonated beverages (cola, tonics, soda) It will be. Beer is an alcoholic beverage made by brewing and fermenting grains and exceptional malt barley and has a slightly bitter and hopeful flavour. Beer production is called brewing and is generally wheat, corn (corn), and rice, but involves the fermentation of starch, which is mainly derived from grains, most commonly malt barley. The non-alcoholic categories within this category include the production of soft drink syrups, soft drinks and water bottling and canning, fruit juice bottling, canning and packaging, and the coffee industry. Distilled liquor, wine and brewed beer fall into the category of alcoholic beverages.

## **Characteristics Of the Workforce**

Drink ingredients and preparations vary. Employee characteristics have much in common in this industry. The process of harvesting commodities such as coffee beans, barley, hops and grapes employs low-income, unskilled individuals or families. As a major source of income, harvesting determines most of their culture and lifestyle.

The processing of this product involves automated mechanized operations, usually using semi-skilled and manual workers. Manufacturing facility and warehouse areas with some of the common jobs include packaging and filling machine drivers, mechanics, forklift drivers, and workers. The

beverage industry primarily uses co-carriers to distribute products to wholesalers. However, soft drink companies employ drivers to deliver products directly to individual retailers. In the soft drink industry, these clerk or drivers make up about 1-7 workers. Increased health consciousness in Europe and North America in the 1990s flattened the market for the alcoholic beverage industry and shifted demand to soft drinks, but significantly in developing countries in Asia, South America and some Africa. Enlarged. This expansion will create a large number of local jobs to meet production and distribution needs.

### **Indian Leading Beverage Sectors Are**

- Coco cola company
- PepsiCo
- UB Group
- Dabur Indian Ltd
- TATA Global Beverage Ltd
- Nestle India
- Café Coffee Day
- Red Bull Indian Pvt Ltd

## PEST Analysis

### Political/ Legal Factors

All food manufacturers and producers are under the control of the Food and Drug Administration. For example, the Food and Drug Administration certifies and tests new ingredients. H. High-concentration sweeteners before they are approved for use in the manufacture of beverages and soft drinks.

#### ➤ Human Rights Issue

- Multinational Corporation is facing different human rights issues, laws, rules, regulations and policies of different governments in operating countries.

#### ➤ Waste Management and Public Concern

- For growing legislation, increasing environmental consciousness is most important the federal legislative application concentrate on the four objectives that is Decrease the quality of packaging material inflowing
- Diminishing the consumption of natural scarce resources
- Increase the reuse and recycling of packaging materials
- To shelter the natural environment and human health from the effect related to the dumping and packaging of materials. For example, to control the packaging to enlarge its recyclability Connecticut has passed the law

### Economic Factor

The main factors taken into consideration are the market risk, which is a Pepsi company is bared to commodity prices, foreign exchange rate, and interest rate. Following are some elements which are described as follows:

- Foreign Exchange and Global Economy Conditions

Operating in the local market is much easier than operating in the global market due to the risk of exchange rate fluctuations. It generally affects interest rates, government policy inflation, economic growth and other economic factors. Changes in global exchange rates and microeconomic conditions can impact international operating income and the Pepsi and Coke businesses.

- Interest Rate

Pepsi and Coca-Cola manage overall funding to coordinate risk and investment opportunities. To minimize overall borrowing costs, beverage industry companies use currency swaps and interest rates to significantly adjust interest rates to minimize borrowing costs.

- Commodity Prices

Commodity prices include commodity costs. Commodity prices expose Pepsi's business to market risk because in a highly competitive environment in which Pepsi does business, its ability to improve costs at higher prices is limited.

### Socio-Culture Factors

One day, consumers have lost their brand loyalty as before and can easily switch to another product. Consumer choices for beverages and soft drinks are influenced by two characteristics

- Age Factor

It plays a very important role in consumer choice. Age plays an important role when choosing drinks and soft drinks. Several studies conducted have shown that soft drinks and cola products can cause health problems such as kidney stones.

- Ethnicity

Compared to young adult consumers, especially teens and 20s have a narrower range of interest in products. And they give more likes to products that look different and fun. Beverage players are now shifting to products other than cola. B. Bottled water, sports drinks, etc.

#### Technological Factors

Technological advancements in manufacturing and new quality improvement such as JIT, Six Sigma and MRP-II, etc. Are significant providers to improving the efficiency of bottling operations and the quality of products. The advancement in technology helps to introduce new product lines, for example, new flavors, sugar-free or diet sweeteners, and free goods facilities Pepsi and coke to launch brands that meet changing customer styles, preferences and tastes. The distribution process is a big challenge for the beverage industry because the process can be able to place the right products at right time. In the soft drink industry technology provides a competitive advantage, it is applied in area such as logistics products into stores less of restraint and costs beyond the distribution pipeline while increasing sales information availability.

#### **Predicted Scenario of Beverage Industry**

The company needs to diversify its portfolio to provide diet, fortified and organic drinks for health-conscious consumers. In addition, there will be growing demand for beverages from countries such as Russia, China, and India.

#### **Porters Five Forces**

The five forces tool is a simple but powerful tool for understanding where power lies in a business situation. This is useful because it helps you in understanding both strength of your current competitive position, and the strength of a position you are considering moving into.

It is used to identify whether new products, services or businesses have the potential to be profitable.

#### Threat Of Substitutes



A substitute is something acting or used in place of another. It performs the same or similar function as an industry's product different means. Substitute product are services limit in industry's profits potential by placing a ceiling on price. If an industry does not distance itself from substitutes through product performance, marketing, other means, it will suffer in terms of profitability.

There are some distant substitutes such as

- Cocktail and Mock tail
- Vodka
- Wine

#### *The Intensity Of Rivalry Among Competitors*

Rivalry means through which competitors fight for position by using different tactics such as price, competition, advertisement battles and new product introduction, in order to lower the profits of competitors in the industry. Rivalry among already exiting competitors takes many forms, including price discounting, new product introductions, advertising campaigns and service improvements.

Industry profitability is high rivalry limits. In the Indian beer industry, the strong competitors for Kingfisher are SAB miller, Carlsberg, Asian pacific, Skolt breweries. This has acquired certain portion of UBL market share and gives strong competition.

#### *The Threat Of New Entrants*

The threat of new entrant is less in case of UBL LTD. As the new entrants will have to be more powerful to challenge and survive with the competition thrown by united Breweries Ltd. The UBL produces finest quality beer and sells at reasonable price. The total cost of production is reduced as UBL has economies of scale for producing huge quantities from its units located in different parts of the country also due to various costs efficiency strategies and the adoption of latest technologies to manufacture high quality beer.

#### *Bargaining Power of Suppliers*

Powerful suppliers capture of the value for themselves by charging high price, limiting quality or services, or shifting cost to industry participants. As UB ltd. Have backward Integration that have their own malting units for producing of barley malt which is the important raw material used in marking of beer and the other raw materials or adjuncts required in manufacturing of beer like rice, maize, sugar, water, etc. Have easily availability as Indian is an agricultural country. Thus, there is nothing as dominance or concentration of suppliers there are varied number of suppliers in the market.

#### *Bargaining Power of Buyers*

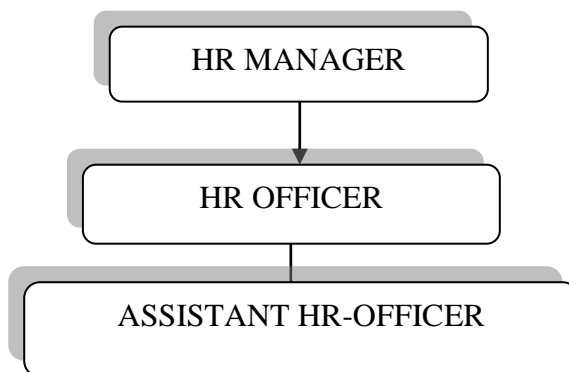
Customers tend to be powerful when the quantities they purchase form a large portion of the seller's total sales. There is no threat of backward integration by buyers to the company as the buyers are large in number and spread in a wide area also as the price are standardized and fixed by the state government the buyer has no bargaining powers. The buyers are price sensitive as there are various brands of different companies available in the market.

## Chapter 4

### Analysis of department

#### Human Resource Department

##### HR Department Hierarchy



- Recruitment of new staff
- Training and their responsibility
- Keeping records of all employees such as salary processing, provident fund, retirement
- Promotions, increments, performance appraisal

##### Duties And Responsibilities Of HR Manager

- Implements HR policies
- Deals with legal agreements
- Training and development of employees
- Employee motivation and engagement

#### HR Officer And Assistant HR Officer

1. Deal with the meetings with labour union
2. Looks after renewals of licences; factories/ labour
3. Look after payroll, legal agreements and time office
4. Maintenance of absentee register

## **Recruitment Process**

The recruitment is the major function of the human resource department. The recruitment process is the first step towards creating the competitive strength and the strategic advantage for the organisations. Recruitment process includes a procedure where the candidates have to be examined by conducting interviews at different levels of management depending on the job profile. It requires many resources and time.

### **The Recruitment Process In The UB Group Is As Follows:**

- The Manager in charge in the HR collects the application forms from the queried source such as Advertisements, consultancy from inside the organisation and references from the other sources
- If the HR manager finds any suitable candidate then the candidate is called for an interview and then the main procedures start.
- The HR manager arranges for a panel interview along with the HOD and GM for all the candidates.
- After the interview the resume and the interview assessment form is provided to the managers then rate the candidates as per the interview. Interview assessment form includes rating, experience, confidence level and other criteria for interview.
- In case a candidate is selected or rejected the same is informed and then the HR manager informs the candidate if selected the HR manager ask the basic information and does a background investigation of the selected candidate.
- HR manager checks the pay structure of the candidate in the previous company and then the pay structure is decided
- All the details of the selected candidate is submitted to the head office situated in Bangalore.
- Head office grants the offer letter to the candidate.

## **Training Process**

Training and development is an important component of every organisations survival strategy under rapid change in the technology the company's employees have to work with the new technology to survive in the environment. Training is one of the most profitable investments an organisation can make. No matter what business or industry you are in. The steps for an effective training process are the same and may be adapted anywhere.

- HR manager help the employees to increase their level of performance on their present assignment. It increases the human performance and also increases operational activity and productivity of the company.
- To improve the quality of work the HR manager informs the workers and it reduces the operational errors it creates a good working environment in the organisation.
- Employees are provided with proper training to prevent industrial accidents they have created a safer working atmosphere which leads to more stable attitudes on part of the employees

- Managers create a non-obsolescence environment so that it improves the creativity and the employee copes with the new technology.
- The growth of the employee is decided on the basis of the performance of the job they carry out

## **Induction And Orientation**

- Selected candidates have to report with all the documents and submit it to the HR manager
- The candidate is provided with the application, joining and provident fund form which has to be submitted back to HR manager
- The next day the candidate goes through a medical examination followed by induction
- The candidate is taken to the concern department and is introduced to all the workers and management staff
- Candidate is also informed about the policies of the department in which he/she is going to work
- After the induction program the candidate is provided with induction feedback form and it is send to the head office situated in Bangalore
- After all the formalities are over an appointment letter is send to the candidate to join the company officially

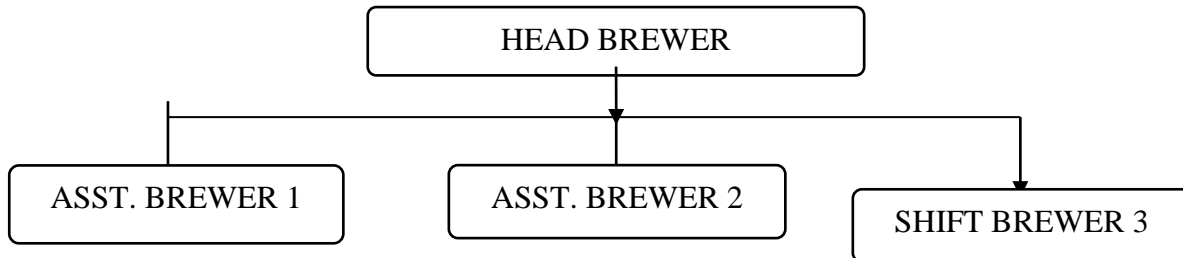
## **Pay Structure**

- Daily wages are paid and decided according to main wages act
- Allowances such as dearness allowances are based on the agreement made
- Permanent workers salary is based on the experience of the worker
- Worker also gets the benefit of fixed dearness allowance variable dearness allowance, house rent allowances, conveyance, lunch allowance and re medical reimbursement depending on the agreement and salaries
- VDA is based on consumer price index. It changes every quarter

## **Employee Leave and Absentees**

1. Employees leave application and record from register is maintain by the HR officer
2. It contains all the details of the employee and their past leaves records
3. Employee have to mention the date, the type of leave and for how many days
4. The form is submitted to the HOD or the HR officer

Process And Brew House Department  
**Hierarchy of Brew House Department**



**Duties And Responsibilities Of Members**

- To ensure that the international quality & Environmental system is established, implemented and maintained.
- To be responsible for the performance of the quality & Environmental system.
- To liaise with external parties on matters relating to quality & Environmental system
- To effectively implement quality & Environmental system as per quality policy and objectives
- To review the contracts and orders to ensure that the agreed requirements are met
- To provide necessary resources to maintain the system

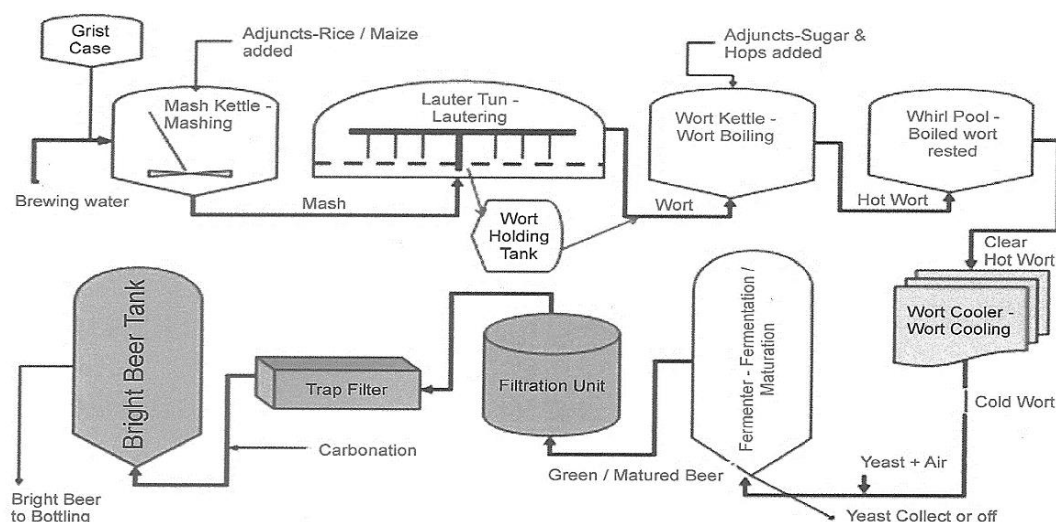
**Brewer**

- To plan and execute the production
- To define workmanship standards
- To control production engineering activities
- To control further processing until any conditions likely to cause non-conformities are rectified
- To meet legal, national, food and safety, labelling and health regulations

## Shift Brewers

- Carryout the instructions given by brewer/ manager
- Issue material requirement note to the stores
- Tasting of beer before release to bottling
- Issue approved beer to bottling upon the instructions o manager and brewer
- Checking regularly the online process parameters
- Filling up of record book

## Brewing Process



## Beer Manufacturing Process

The Brewing process mainly comprises of Brew house and Cold room. Within the Brew house Malting, Milling, Mashing, Lautering, Wort Boiling, and Wort cooling takes place and in Cold room Fermentation, Secondary fermentation, conditioning, filtration and Bright beer takes place.

### Step 1- Malt Storage

Barley malts are stored in big tanks called “silos”. It is then transferred to the roller, which is a grinding machine, where the malt is finally crushed and powdered. It is known as “Grist”. The grist is then transferred into a tank called “mashing kettle” where the mashing is done.

#### Step 2- Mashing

The objective of mashing is to convert the starch into fermentable sugar. In the mashing process the crushed malt is mixed with hot water. Here different enzymes get activated and act on the starch and convert it into glucose. Chemicals like “Calcium Chloride” and “Calcium Sulphate” are added to the mash ton.

#### Step 4- Wort Kettle

The wort boiler is also called as “wort kettle”. The wort is boiled through a wort boiler for 80 minutes at 100<sup>0</sup>C. This is done to concentrate and sterilize the wort. Boiling also helps in colour formation. “Caramel” is added to give color to the beer. During this process “Hops” are added. Hops contain various bitter oils, which give bitterness to the beer and also aroma.

#### Step 5- Whirlpool

The wort after boiling is transferred into a tank called whirlpool tank. The wort rotates, resulting in the settling of coagulated proteins. The clear wort is taken for chilling in Plate Heat Exchanger (PHE). There are two parts in PHE.

The first part is the filtrate form, which the pool tank is fed into this part at normal temperature. In this part the wort is introduced through the plate and the wort gets cooled. In the second part, the chilled water is introduced through the plate and the wort gets further cooled. The chilled wort is then collected in a chillers tank

#### Step 6- Fermentation

It involves conversion of sugar into ethyl alcohol by yeast and liberating carbon dioxide. Then after the fermentation process is over, the yeast is collected in a conical shaped fermenter and reused. The beer, which is formed here is “Green Beer”. Carbon dioxide gas is evolved during fermentation is collected and washed, purified, compressed and used for carbonation.

#### Step 7-Lagering or maturity

The green beer is then stored or lagged for 6 to 7 days. This process is called racking. Beer is kept for 8 to 10 days for maturation. At this stage different chemicals are added for different purpose.

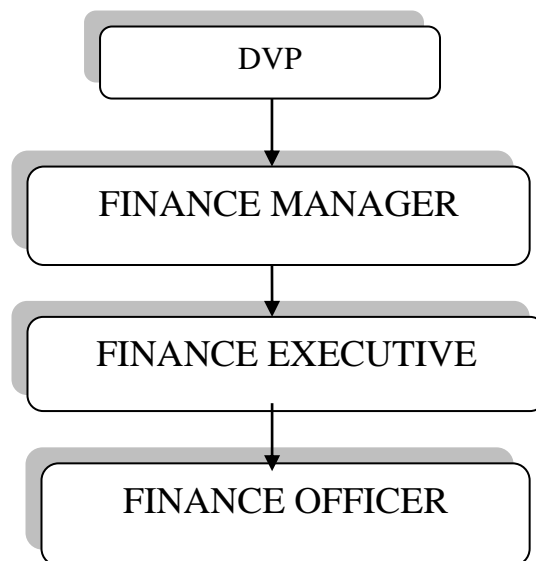


## Step 8- Filtration

After maturation, beer is subjected to the process of filtration. The filtration is carried out in two stages. First the beer is passed through the “Rough filter” and then through the polished filter. After filtration through polished filter, beer is collected in Bright Beer Tank (BBT), at OC. The beer is then stored for 24hrs in BBT. The beer so obtained is very pure and then it is sent for bottling.

## Finance Department

### Hierarchy of Finance Department



- The procurement of funds by corporate enterprises to meet their financial needs
- It is concerned with every activity of the enterprise
- It is concerned not only with procurement of funds and wise application of funds

### Duties And Responsibilities

#### Manager- Finance Department

- To plan and provide financial resources in time
- To be responsible for making funds available in exigencies
- To maintain record of financial transactions as per regulation
- Handling audit
- Supervision of work
- Rap-up reports

### **Finance Executive**

- Responsible for all the payments
- Responsible for the VAT returns
- Operating expenses reconciliation
- Funds requirement

### **Finance Officer**

- Responsible for the cash entries, purchase invoice, debtors, TDS and TCS returns.
- Reconciliation of statutory items
- Bank reconciliation
- Responsible for the audit work, creditors and reports.

### **Process and Functions**

#### **Payments**

- Payments of Statutory bills such as Sale Tax, Advance Income Tax, Service Tax, VAT, TCS, TDS, CST, Excise Duty
- Payments of Permanent and casual workers, bank payment and junior management and managers- payment received from the head office
- Miscellaneous payments: payments of all the regular bills and other expenses
- Payments of creditors such as PR (Purchase Requisition), PO (Purchase Order) Inbound entry, GRN (Goods Receipt Note)

#### **Reporting**

- Monthly reports are prepared such as Cash flow statement, creditors and debtors, projection of payment, rap up report (management information report)

#### **Credit collectors**

- Collection of beer local and exports
- Miscellaneous collection i.e. wastage material like cartons, glass collects etc.

### **Audit**

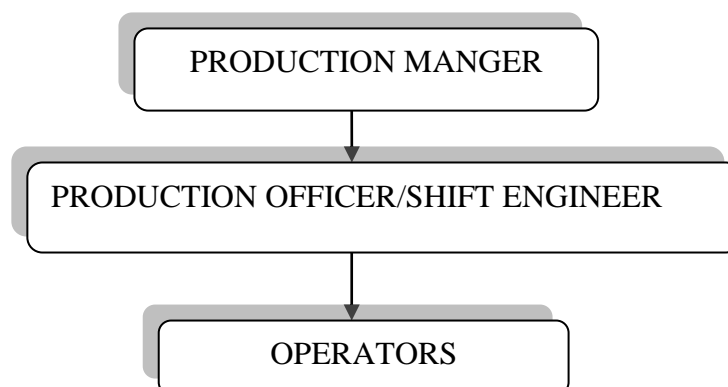
- Internal auditing and other statutory work

### **Process For the Payment Of Bill**-the normal process for the payment of bill is:

- Payment of bills of raw materials is done after the whole process is completed like: payment of cartons after 45 days of receiving, crowns after 60 days, engineering materials 15-30 days, old bottles 45 days and so on.
- Procurement and logistics department forwards the bill to the finance department. Here the invoice entry is made and the bills are verified and payed later.
- Other bills that are personal purchases done, are entered/ recorded by the finance department.
- The invoice entry is made and the bills are paid later
- SAP is internally synced with the company's account
- During the payment SAP code is typed along with the bill number
- Miscellaneous expenditure bills of other departments are send to the finance department.

### **Production Department**

#### **Hierarchy Of Bottling Department**



Beer is bottled in 650ml and 330ml bottles. Small bottles come in 330 ml batches and are labelled according to the brand of the beer. In United Breweries most prominent brand is Kingfisher brand. Kingfisher red, Kingfisher blue, Kingfisher strong, Kingfisher ultra are the popular brands of United Breweries.

- Maintenance of all machines in the plant.
- Providing energy and power requirements.
- Installation of any new equipment.
- Preventive maintenance activities such as servicing and greasing.
- Track of entire machinery in the plant and spare parts.

### **Duties And Responsibilities**

#### **Production Manager**

- Overall incharge of production of beer and its quality parameters maintained as per specifications to aim at zero complaints.
- To reduce wastage and increase the efficiency of the bottler.
- To ensure that a hygienic environment is maintained.
- To maximize productivity of man and machines.
- To have check over daily record of production of beer.
- Has to make sure that workers meet the production plan.

#### **Production Officer/ Shift Engineer**

- Completion of excise book on daily basis.
- Production report to be submitted before 9:30am.
- Production and other entries to be recorded in SAP.
- Bright beer house report in respective shifts.
- Record of maintenance of both PM as well as BD
- Daily sighter data sheet to be completed.

#### **Bottling process**

- Empty bottles from the warehouse are send to the washer.
- Washed bottles are inspected and send to the filler machine.
- Filler machine gets the beer from bright beer tank and fills in the bottle.

- Filled bottles are sending to the crowner for crowning.
- Crowned bottles are send to bottle sighter where all the bottles are screened and send through a machine where it gets heated followed by pasteurization.
- Filled bottles are inspected after pasteurization.
- Inspected bottles are sending to the labelling machine where the bottles are labelled.
- Labelled bottles are again inspected and send to robo packer where the bottles are packed in the carton.
- Packed cartons are send to the warehouse for dispatching.
- All the inspection is carried out by Quality assurance officers.
- 6,50,000 cases are produced in month.
- Filling capacity of bottles is 18000 bottles/hour (5 bottles every second)
- Pasteurizer capacity is 18000bottles/hour (5 bottles every second).

## **Operators**

### **Washing machine:**

- Responsible for start up and operating bottle washing machine as per work instruction.
- Mixing of requiring chemical/cleaning agents as prescribed.
- Cleaning of the machine together with all related equipment/accessories such as pumps, spray pipes, bottle, carriers, transport chain etc.
- Receiving of chemical from store.
- Filling of log books as per instruction of officer- in- charge.

### **Filling Machine**

- Responsible for all operations of the filling machine and maintenance as per work instruction.

- Daily cleaning of the machine as per cleaning procedure. Receiving of crown corks from stores.
- Filling of log books as per instruction of officer-in- charge.

#### Pasteuriser

- Responsible for start-up as per work instruction and complete operation including complying with operational controls and parameter.
- Monitoring water spray on bottles
- Final cleaning and lubrications
- Informing the boiler department for steam start up and closing.
- Filling of log books as per instruction of officer-in- charge.

#### Labelling

- Responsible for start-up and complete operation of the labelling machine as per work instruction
- Daily cleaning of the machines including related equipment's and accessories as per the cleaning procedure
- Receiving the labels and related materials for labelling from the stores
- Filling of log books as per instruction of officer-in-charge.

#### Sealing

- Daily cleaning the machine including related equipment and accessories
- as per the cleaning procedures
- receiving the required Bopp tape from the stores
- Filling of log books as per instruction of officer in charge monitoring the bottom sealed cartons

### **Production Process**

- Washing Machine

Washing machine has two compartments, caustic soda compartment and water spray compartment. Bottles remain in the caustic soda bed for 1 min. The caustic soda penetrates the bottle and removes the dirt and any grease particles. The bottles are inverted with the help of conveyer so as to empty caustic soda the temperature is 80-85 degree Celsius. Then the bottles are passed onto the two zones lower temperature i:e 35-50 degree Celsius

respectively. In this process labels are separated from the bottles and new look is given to them. Washing process takes 20mins. Capacity: 18000 bhp (break horse power); Lead time: 20mins

➤ Bottling Machine

It is a standard machine with stainless steel-clad housing, all parts are coming in contact with the product are made from stainless steel or food grade rubber or plastic. It has annular tank, fine ground finish internal and external with integrated vacuum channel and a filling level control by electronic level measuring probe. The integrated PITOUCH control panel with monitor for continuous display of selected parameters is useful in terms to the supervisor. Capacity: 18000 bottles per hour; Lead time: Nil

➤ Filler and Crowing

Water at 80-degree Celsius temperature is sprayed with high pressures of little quantity in filled beer bottles in order to remove air is sealed air tight. Capacity: 18000 bhp; Lead time: nil.

➤ Pasteurization

There are different zones of pasteurization, which include sprinkling of water on the beer bottles at different temperatures such as 35 degree, 45 degree, 55 degree, 65 degree Celsius and then in reverse form and then finally normal water. With this micro-organisms and yeast bacteria die. It involves gradual heating and gradual cooling. The main purpose of pasteurization is stability of beer. Capacity 18000 bhp; Lead time: 1 hour

➤ Labelling

Three types of labelling is done here neck foil or label and body label-front and back. Neck label signifies new product or unused product, front label contains the name and brand of the product and back label mentions the description, date of manufacture and batch number of the product. Capacity: 19800 bhp; Lead time: nil

➤ Packing

Each bottle has its own type of packing such as the large premium has a yellow box, strong has a red box, pint had an ordinary brown box. Packing of the bottles in the box is done with the help of packing and batch machine. Capacity: 1000 cases per hour

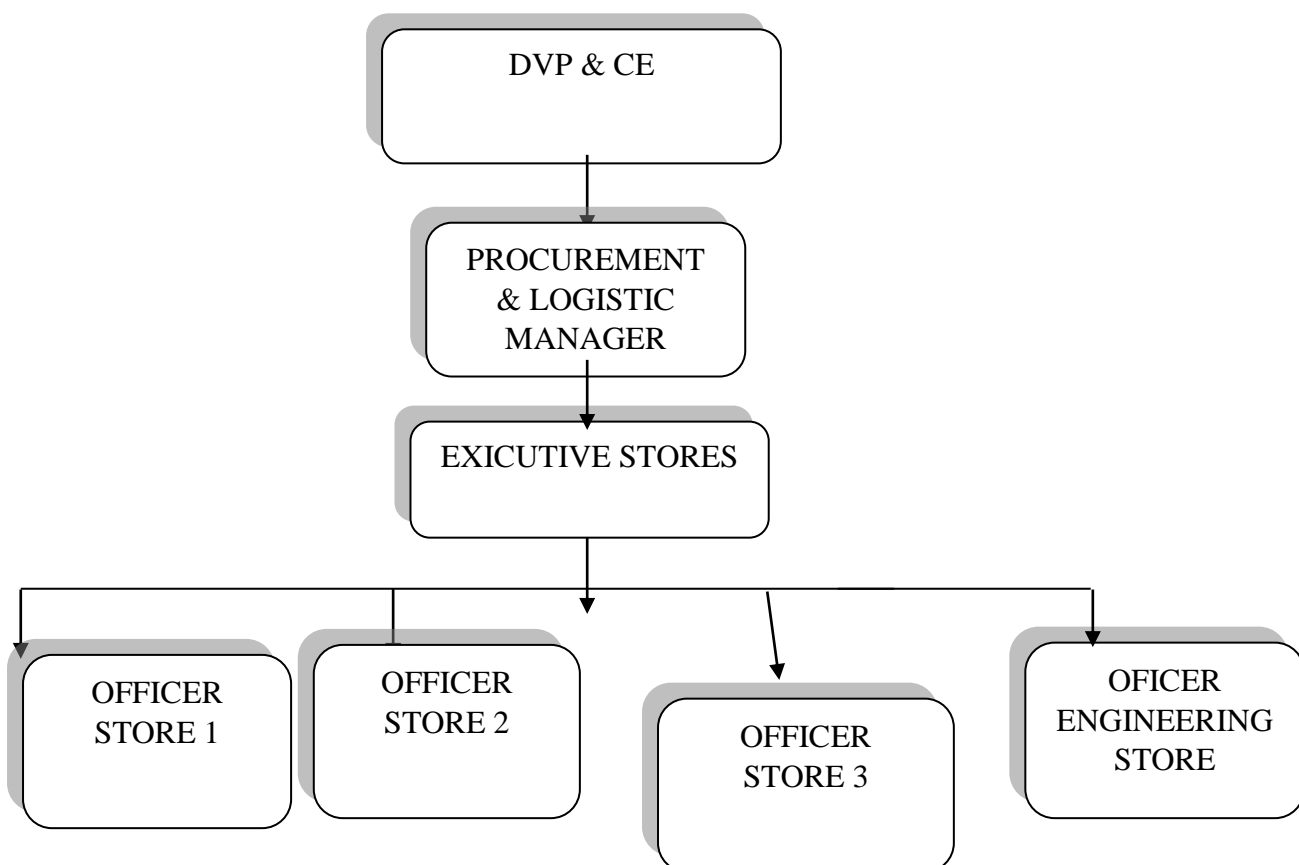
### **Precautions Taken Into Account During Bottling Process**

- \* Glass bottles which are received are inspected before feeding in the washing machine.
- \* Bent crowns corks and straws are removed from the bottles
- \* Chipped bottles are also removed as beer filled in such bottles can turn beer flat and cause sedimentation in beer.
- \* The washing machine or any other washing equipment should be free from any contamination such as dust, bacteria etc.
- \* The worker or person working in bottling department should be well equipped with the safety equipment such as glass, masks and gloves.
- \* Removal of waste should be treated immediately and effectively.
  - \* Proper drainage for waste should be provided to avoid contact of product with bacteria.



## **Procurement And Logistics**

### **Hierarchy Of Procurement And Logistic**



### **Definition**

Logistics is the management of the flow of goods between the point of origin and the point of consumption in order to meet some requirements, for example, of customers or corporations. The resources managed in logistics can include physical items, such as food, materials, equipment and liquids, as well as abstract items, such as time, information, particles, and energy.

- The logistics of physical items usually involves the integration of information flow, material handling, production, packaging, inventory, transportation, warehousing, and often security. The complexity of logistics can be modelled, analyzed, visualized, and optimized by dedicated simulation software. The minimization of the use of resources is a common motivation in logistics for import and export.

### **Responsibilities Of the Department**

1. Handling, Storage and Preservation of the received materials
2. Issuing the raw materials
3. Physical stock verification
4. Updating the system with received goods
5. Maintaining the Purchase Order
6. Issuing of the Purchase Order
7. Verification of the product
8. Assessment of Vendors/Sub-contractors
9. To guide the stores personnel with respect to handling, preserving.
10. Getting necessary reports like daily statements of empty bottles and daily stock statement regularly.

### **Procurement And Logistics Manager**

- Has a check over daily receipts of materials.
- To monitor daily receipts.
- Approves the GRN's
- Guides the store personnel with respect to issue of materials and other requirements.

- Verifies and checks daily statement of empty beer bottles and daily stock statement.

### **Executive Main Stores**

#### **Stores**

- In charge of maintaining and submission of daily stock statement to the HOD of procurement and logistics.
- Stores data related to the stores department (PO,GRN,MRP)
- Submits stock balance of packaging, raw material and other consumables on monthly basis and informs the purchase officer.
- Receives and issues material.
- To handle, store preserve products.
- Computerize all the GRN,s and material requisitions issues slip.
- To take physical stock o materials once in a month
- To segregate non-conforming material to prevent from unintended use.
- To present data for trend analysis as and when required.

#### **Purchase**

- Submits daily inventory report of bottles to Plant head.
- Presents data for trend analysis as and when required.
- Submits the report of packaging, raw materials and other consumables on monthly basis and inform executive S and P accordingly.
- To monitor total inventory of key materials.
- To handle purchase on day-to-day basis as per norms.
- To evaluate vendors, sub-contractors, transporters and inform executive (store and purchase) of the outcome.

#### **Officer- Store**

- Checks over the receipts of raw material
- Verifies the purchase order for quantity and rate verification.
- Noting the change of the quantity of materials
- Submitting the quality check report to QC department.
- Verification of monthly stock balance with accounts department.

- Supervision of unloading activities.
- Supervision of materials and pest control activities to be recorded once in a month, tallying of all consumption report, wastage of cartons, crowns, bottles, labels.
- Holds the account of empty bottle register.
- Generates daily statement of empty beer bottles to be sent to plant head.

### **Assistant Commercial Stores**

- Maintains the receipts of engineering materials and fuels.
- Stores the data of GRN and material requisition issue slip in the system.
- Issues materials and carries out other store related work.
- Physical stock verification once in a month.

### **Process And Functions**

The basic function of Procurement and Logistics is to purchase the good and raw materials required by various departments and also to store the purchased materials. The Head Office processes the purchase requisites of various items to the procurement and logistics department through item code which is generated by SAP. The purchase order is generated by Procurement and logistics department and it goes through the release process which is carried out by the head of the department and the plant head.

The PO is forwarded to the concern party who can supply the required material to them. At the time of the delivery of the goods the materials details are inwarded in the system and then GRN (Goods receipt note) is generated. Some of the materials go through quality check and only then it is unloaded. According to the Permit Generation Plan the MRP (Material requirement planning) is generated and the purchase requisites are processed to Procurement and logistics in the beginning of every month.

The purchase requisition is done by the user department. After the PR is generated it has to be released by the departmental head and the plant head only then the Procurement and logistics department generates the purchase order.

When the users have to issue the material from the stores they have to create a reservation number for the material which has to be issued through the SAP code. The material is issued by the store's person.

Any material which has to be taken out of the premises of the company the concerned person has to issue a gate pass and get it signed by the head of the department and Assistant commercial.

### **Functions Of Stores.**

➤ **Handling, Storage and Preservation of the received materials:-**

When goods are received they are stored in designated areas. All the materials that are received and stored shall be identified with a Tag which contains date, suppliers name, DC/Invoice no, description of the material and the quantity. All the materials is to be handled with care during storage so as to ensure that there is no damage to the material. Work instructions for safety, handling and housekeeping shall be followed in stores and Officer- Store in charge shall ensure this activity. No items is kept for more than a month in stores. If kept, then the quality is thoroughly checked before use.

➤ **Issuing the raw materials: -**

The store department receives the issue slip for the issue of Raw material. The required quantity is issued and the inventory system is updated by the Assistant Stores in charge. Materials are issued on FIFO (First In First Out) basis. Raw materials like malt, sugar, hops, maize, grits, chemicals are issued in advance and at the end of each day. Issue of goods is done through SAP (System Analysis Programming) daily to the Brew House and other respective departments. The stock balance shall be prepared by the Store Officer and shall be approved by department head of Finance and Accounts.

➤ **Physical stock verification: -**

On the monthly basis, the physical stock verification is carried out. If any difference is noted then the necessary changes are done in the system. Updating of the system regularly and also keeping a check is very important. The stock that is updated in the system should always match with the stock in the stores.

➤ **Updating the system with received goods: -**

The entry of the goods received is done in the system regularly. The stock that is registered is updated by the system.

➤ **Maintaining the PO (Purchase Order): -**

The purchase order is maintained by the Store Personnel. The maintenance of the PO is done because the Store in charge should know what goods have been ordered, and other details regarding its vendor and the date of order.

### **Functions Of Purchase**

2. **Issuing of the Purchase Order (PO)**

Monthly purchases are planned as per the PGP (Programme Generating Plan) issued by the H.O. The Head Brewer/ DVP communicate the purchase requirement to the purchase in charge. The purchase in charge prepares a material planning sheet upon receipt of the PGP, from the Head Brewer/DVP.

The purchase in charge needs to prepare and maintain a list of critical raw materials. There after a list of provisional vendors/sub-contractors shall be maintained. Only after the evaluation of the of the vendors/sub-contractors (as per the procedure) then they are transferred to the list of approved vendors/sub-contractors. The purchase in charge shall call the vendors from either one of the vendor list. Daily orders are placed with vendors/sub-contractors whenever necessary. In case of non-availability of materials with the approved vendor or in emergency situation other vendors can be contacted.

A Purchase Order is made and approved, and is sent to the respective contractors by fax/mail depending upon the urgency of the material. Once the purchased product is found conforming in the receiving inspection, the respective purchase order shall be closed.

3. **Verification of the product**

The raw material received and packaging material shall be verified for the quality and other details as per the P.O and supplier documents. The inspection is carried out as per the procedure of the QC. The necessary documentation is done as per the procedure of the stores. If only it is mentioned in the contract the customer is allowed to verify the product at the sub-contractor's premises.

#### 4. Assessment of Vendors/Sub-contractors

The assessment shall be done for vendors/sub-contractors; vendors for stationery purpose shall not be evaluated. Assessment of the vendors/sub-contractors shall be done by giving vendor pre-qualification form containing the details of all his dealership, materials, contact no's etc and the details shall be recorded in the vendors file. If the vendor is accepted then the names shall be transferred to the Approved Vendors list and if they are not approved then the Purchase in charge shall inform the same to the concerned

### **Quality Assurance Department**

PURPOSE: To establish procedures for the sampling and testing of the raw material in the process and the finished products.

United breweries say that quality is an attitude to achieve perfection so make quality a way of life. The central technical cell (CTC) headquartered at Bangalore sets standards for all its breweries. Quality management system laid out along the lines of ISO 9000 are strictly adhered to, controlling quality at every stage of production, from raw materials to when the products is dispatched. These beer are tested as per the standards laid down by the European brewery convention on 40 different parameters. By these standards, united breweries beer do not just equal, but even surpass, several Dutch and American beers.

The main aim of this department is to control the quality of product from raw material to finished goods. Quality management is the heart of the company emphasizes on the quality of product.

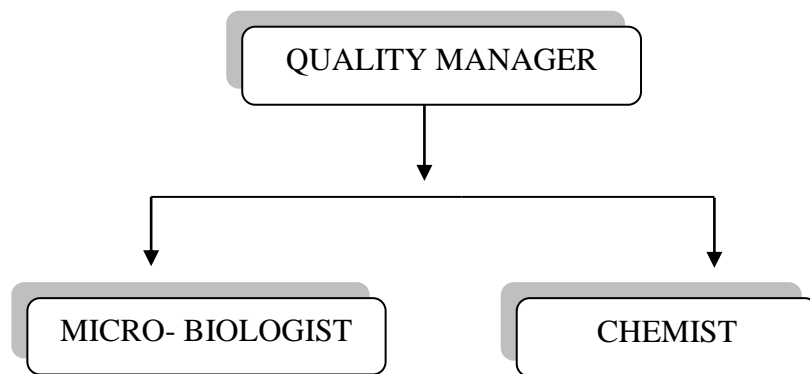
This unit has a great responsibility of keeping the product safe for the customer on which the whole company depends upon. If there is no customer satisfaction, the demand for the product will drop and the company will run into loss. The quality lab checks each thing, things is used to manufacture beer like bottles, crowns, labels, raw material etc. The quality department checks the quality in each stage of manufacturing. Besides checking the bottles in Goa, a sample of about 2 bottles per stage are sent for quality analysis at Bangalore.

Specification parameters are taste, colour, pH, bitterness, lethal pasteurization, haze, dissolved oxygen, carbon-dioxide, total air and alcohol content. The batch which has not met

the specification is blended with the one which has attained these parameters of specification. Weekly reports of all the details have attained these parameters of specification. Weekly reports of all the details are sending to the head office in Bangalore.

## **Department Structure**

### **Hierarchy Of Quality Assurance Department**



- Water analysis
- Incoming raw material quality check
- Wort analysis
- Lager beer analysis
- Bottled beer analysis

### **Duties And Responsibilities**

#### **Quality Assurance Department**

- Ensuring that quality checks are done in process and any deviations noted.



- Maintain relevant records.
- Report any deviations to Brewer.
- For deviations approval needs to be taken from CTC by Brewer/ Q.C.

### **Micro-Biologist And Chemist**

- To assist in conducting the tests were required.
- Maintaining relevant records

### **Process**

The products are verified, inspected or tested at the following stages:-

1. Incoming materials are tested in accordance with the UB Quality manual or documented work instructions. If conforming to our specifications, the material is accepted. If non- conforming then the material is either rejected or in case of minor non-conformity it is withheld for further tests, inspection and acceptance.
2. In process inspection is carried out as per documented work instruction/Quality manual.
3. Final inspection and testing is carried out in accordance with documented work instructions or the Quality Manual. The product is not further processed till satisfactorily tested. Online inspections of the product are carried out and relevant quality records are maintained.
4. New products are processed as per CTC guidelines and once the product is included regular production then finalized specifications are received from the CTC for necessary manual amendments.

### **Contribution To the Firm**

- Bottling project
  - Located vendors (bottle collector)
  - Listing of google coordinates
  - Survey (issues faced, monthly collection, working capacity, expectations.)
  - Detailed analyses of the product

**Insight Derived and practical implementation of concepts taught in first year MBA**

I got to experience the vibe of corporate world with a pinch of fun and i even understood the professionalism and discipline with which the company runs without much of mental stress and pressure. through the internship project I learned many things about the company through that i got how to communicate with employee's vendors, middle men and also with the company staff. Got the knowledge and skills required in the corporate world.

- Applied knowledge about resource management to efficiently complete the target with controlled use of resources
- Knowledge gained in project management helped me to identify the ideal machines and supportive resources to complete the task
- Concept of convincing and negotiation skill helped to work with the vendors
- IT skills helped me prepare the documents related to the project
- Learnings of Organisational behaviour supported my judgements and decisions

## Conclusion

The UB Group unit in Bethora – Ponda which was started on 17<sup>th</sup> October 1972 has been very successful till date. The Goa unit manufactures the famous beer brand Kingfisher (mild and strong) which is sold in markets outside Goa. The company also export its product to the UK and USA markets. For the past years the group has been working tirelessly to reach to the expectations of each and every customer and also focused towards development of satisfying products

UBL was a mode of practical implementation of my learnings, strategies, and concepts learnt in the first year of MBA. my knowledge I was able contribute and participate in the development of profit for an organisation successfully .